

Upward Mobility

While oil and gas drilling activity benefits Gasco Affiliates, LLC, the calibration gas manufacturer's president says gas detection is widely used and will keep growing.

By [Jerry Laws](#) – Occupational Health and Safety
Dec 01, 2011

Properly calibrated gas monitors are the cornerstone of gas detection, an essential safeguard and standard practice for all sorts of industries. The calibration gas is supplied by companies such as Gasco Affiliates, LLC, which got its start 15 years ago in a 200-square-foot former dental office in Bradenton, Fla.

The company's site since 2006 in Oldsmar, Fla., is 150 times larger at 30,000 square feet. Gasco President Tom Hanway said offshore and on-shore oil and gas drilling operations, refineries, petrochemical facilities, pulp and paper, and utilities are major users of his company's products. "When you really look around, gas detection is everywhere," he continued. "There's hardly an industry you can think of where people aren't utilizing some sort of gas detection. Especially in today's times, I think there's a lot of focus on maintenance and safety in industry, and I believe it will continue to grow."

In a report presented Sept. 27 to the Fort Worth (Texas) City Council, economist Ray Perryman estimated the natural gas drilling boom in the Barnett Shale area of north Texas has supported about 100,000 local jobs and has had an economic impact of \$65.4 billion since 2001. Drilling activity in the Marcellus Shale, a large area of natural gas shale located beneath parts of Ohio, West Virginia, Maryland, Pennsylvania, and New York, has been even busier, and it supports more than 200,000 jobs in Pennsylvania alone, according to the Marcellus Shale Coalition. Hanway said several Gasco distributors focus on the oil and gas sector, and Gasco has seen its business from them grow. The proposed Keystone XL pipeline that would extend from oil sands in Alberta, Canada to south Texas also will provide opportunities for some distributors, he said.

Internationally, Gasco's business has grown significantly in the Far East and South America, probably resulting from the energy sector in those countries, Hanway said. Gasco works with English and European distributors that sell its products worldwide.

Developing New Products

He had a background in gas detection and sample handling for continuous monitoring when Gasco opened its doors in 1996. "This isn't something you can set up in your garage," he said. "You've got to have some formulas, you've got to have some techniques [and] a lot of cylinder prep knowledge for these gases."

At the same, the game plan was to follow what others in the industry already were doing as far as the types of cylinders, regulators, and processes. As the company grew, management decided to launch new products, new technologies, and new processes to establish Gasco in a leadership role rather than strictly following. "We feel like we are the experts in the field," he said. "Plus, with the knowledge of what instruments need and how they work, we can provide products that enhance them."

The company has announced several new products in recent years, including the 66 (a standard 34-liter cylinder that contains 66 liters of precision calibration gas) and the 44, which is a 34-liter cylinder containing 44 liters of gas in either disposable or ecosmart refillable cylinders. Gasco launched its ecosmart line roughly four years ago. "We introduced it and it kind of just sat there, so we started to put some focus on it," said Hanway. "Then, when we came out with the 44 and 66 ecosmart products, it really starting driving home. The entire eco/environment green initiative has really caught on fire. We were trying to push it, but it has pushed itself. I think people really want it. Companies are taking the initiative.

"We don't have any set amount for R&D. As a company, we continually think and work in the direction of R&D. We are trying to come up with products that will enhance our distributors in the marketplace and ultimately help the end user. Distributors really are our sales chain and marketing chain, for that matter," he said. "The business formula was set up to always go through distributors. I had been with Sensidyne as one of the founders; that was our formula then: sell through distributors. That's what we've tried to do at Gasco, sell only through distributors, show them the loyalty, and it comes back full circle. It's worked. We consider ourselves business partners with our distributors. We listen to them, we do a lot of sales training with distributors, and in those meetings we get good feedback because they're out there with end users all the time. I think it really helps the channel."

Gasco mainly sells its products through about 200 distributors scattered across North America. "We're not going to sell direct, and we're probably private labeling for 98 percent of the guys. The Gasco name heretofore has not been in the forefront," he said. "We want the distributors to be able to get repeat business, and with the private label on the cylinder, that tends to work very well. [End users] will see they've got an empty cylinder, they see the 800 number on the cylinder for the distributor, they call the distributor, and obviously the distributor then places an order with us."

"We've grown," he continued. "We decided to do a lot more advertising to pull end users into distributors so we can hand down leads to them, which helps them get new accounts. It's worked very well."

The company monitors developments in portable and fixed gas detection instruments, but it doesn't work directly with the instrument manufacturers. When a new detector comes out, it's not hard for Gasco to become aware of it and adapt its products accordingly. "It might change the concentration values we put in a cylinder, or it could change the size of the cylinder or the regulator," Hanway said, "but it pretty much stays the same."

Training & Outreach

As Gasco has grown, its distributor partners have come to appreciate the value of its training, particularly for their new hires. "We do teleconference training sessions. We create documentation that can be handed out as tools. If they need us to, we'll go out in the field and do the training on site or partake in sales calls. We also have developed training online, as well," he said. As of Sept. 30, 2011, about 150 people had been trained online. He said a new module about the ecosmart products is coming out soon.

Gasco does not offer calibration or instrument maintenance training to end users, but it has created presentations that distributors can use to educate end users on the importance of using calibration gas. Hanway agreed these might be particularly valuable because of the brain drain

affecting some industries, with an "old guard" of seasoned employees retiring and newcomers having to fill their shoes.

"I think we're going to see more and more of the teleconferences. I think it's the wave of the future," he said. "They really do exchange a lot of good information back and forth."